



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

May 1, 2008

### **H.R. 1575**

#### **Burt Lake Band of Ottawa and Chippewa Indians Reaffirmation Act**

*As ordered reported by the House Committee on Natural Resources on April 17, 2008*

H.R. 1575 would provide federal recognition to the Burt Lake Band of Ottawa and Chippewa Indians in Michigan. Providing federal recognition would allow the tribe to receive funding from various federal programs. CBO estimates that implementing H.R. 1575 would cost about \$1 million a year over the 2009-2013 period. Such costs would be subject to appropriation of the necessary funds. Enacting the bill would not affect direct spending or revenues.

H.R. 1575 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments. Enacting the bill would benefit the tribe, making its members eligible for additional federal benefits.

The Bureau of Indian Affairs (BIA) provides funding to federally recognized Indian tribes for various purposes, including child welfare services, adult care, community development, and general assistance. A portion of that funding, classified in the BIA budget as Tribal Priority Allocations, is awarded solely on the basis of population. Based on information from BIA, CBO expects that the Burt Lake Band would receive \$160,000 a year in such funding, based on an estimated service population of about 325 members. Those amounts are subject to the availability of appropriated funds. Burt Lake may also receive additional BIA services based on other needs and characteristics of the tribe. Based on information from BIA, CBO estimates that any additional costs for those services would not be significant over the 2009-2013 period.

H.R. 1575 also would make members of the tribe eligible to receive health benefits from the Indian Health Service (IHS). About one-third of Burt Lake members currently receive IHS benefits because tribal members in Michigan are not required to be enrolled in a federally recognized tribe to receive those health services. CBO estimates that, under the bill, about 100 additional members would receive health benefits provided by IHS. CBO expects that the cost to serve those individuals would be similar to those for current beneficiaries, (about \$4,000 per individual in 2008). Assuming appropriation of the necessary funds, CBO

estimates that additional IHS benefits for the tribe would cost around \$400,000 a year over the 2009-2013 period.

In addition to receiving benefits and services from BIA and IHS, certain Indian tribes are eligible to receive funding from other federal programs within the Departments of Education, Housing and Urban Development (HUD), Labor, and Agriculture. Based on information from the tribe, CBO expects that members would likely use HUD resources for home construction. We estimate that providing such resources would cost less than \$500,000 a year over the 2009-2013 period.

Finally, the bill would require the Department of the Interior (DOI) to take certain land into trust for the benefit of the tribe and to declare those lands part of the tribe's reservation. Based on information from the tribe, CBO expects that the tribe would request trust status for about 20 acres of tribal-owned land in northern Michigan. CBO estimates that the cost to DOI of taking the lands into trust would be insignificant over the 2009-2013 period.

The staff contact for this estimate is Leigh Angres. The estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.